

**MOUNTAINLAND CDBG POLICIES**  
**2006 Program Year**  
*(August 2005)*

The following policies have been established to govern the MAG CDBG award process so that HUD dollars are targeted toward projects of greatest need and impact:

1. In compliance with the policies of the State of Utah CDBG program; in order to be eligible for funding consideration, all grantees or sub-grantees must have encumbered 50% of any prior year's CDBG funding prior to the RRC's rating and ranking session (generally mid-January).
2. Applicants must provide written documentation of the availability and status of all other proposed funding at the time the application is submitted, including all sources of funding which are considered local contributions toward the project and its administration. A project is not mature if funding cannot be committed by the time of pre-application.
3. All proposed projects must be high on the latest capital improvements list submitted by the applicant for the Consolidated Plan, and must meet the regional priorities identified in the Consolidated Plan. First time applicants and those submitting projects through a sponsoring city or county must make reasonable effort to amend the sponsor's listing in MAG's Consolidated Plan in a timely manner as determined by the RRC.
4. Attendance at one of the annual How to Apply Workshops held in the Mountainland Region is mandatory for all applicants and sub-grantees. The project manager and an elected official from the applicant's jurisdiction should be in attendance. One workshop will be conducted in Utah County and one will be held in either Wasatch or Summit County. Newly elected officials and project managers are especially encouraged to attend since the administrative requirements and commitments of a CDBG project are considerable.
5. All eligible project applications will be accepted for rating and ranking. There is no limit on the amount of CDBG funding that can be applied for; however, applications submitted for funding greater than a base amount of \$150,000 must meet minimum matching requirements. In addition, although the applicant will not be prohibited from applying for another grant in future years, any such future requests will be considered in the second round of allocation for a specific number of years as specified below. (Second round of funding is to consider applications from jurisdictions that have submitted or are sponsoring more than one application.) For applications requesting more than \$150,000, eligibility for each succeeding level of funding will be determined based upon the amount of demonstrated project match as outlined below (match is represented by any other source of funding that is committed to the project):

<u>Grant Request</u>	<u>Matching Funds</u>	<u>Second Round</u>
\$150,001 to \$300,000	25% of grant award must be pledged as matching funds	One Year
\$300,001 to \$450,000	35% of grant award must be pledged as matching funds	Two Years
\$450,001 and over	50% of grant award must be pledged as matching funds	Three Years

If several jurisdictions combine to support a single application, the maximum grant amount is \$100,000 per jurisdiction per year, without required match or future second round status. If an applicant submits more than one application, each must be prioritized, with the highest priority considered in the first round. If one of the applications is multi-jurisdictional, that application will be considered the #1 priority automatically.

6. In order to rotate funding among applicants, jurisdictions that have received CDBG funding within the prior two years, may be considered at a lesser priority.
7. A cap for MAG regional program administration and planning by the AOG is established by the state at 15% of the regional allocation. Within this guideline, the actual amount of funding allocated to the AOG for regional program administration and planning will be determined by the RRC based on program application and the rating and ranking process.
8. The RRC may establish an emphasis for project applications in a broad category on an annual basis based on regional needs identified in the MAG Consolidated Plan (i.e., planning, housing, economic development, etc.). The RRC will determine whether the traditional or supplemental rating and ranking criteria will be applied towards various applications based on type of application. For any such set aside(s) that may be established, the RRC will provide notification to eligible jurisdictions of the type and amount of the set aside(s), and rating and ranking policies to be applied, prior to the commencement of the application process, usually in August of each year. There is no specific emphasis identified for project applications received for the FY2006 program year.
9. Mountainland Association of Governments may provide application assistance at the request of any jurisdiction. Technical assistance provided prior to the award of the contract, such as filling out applications, submitting information for the Consolidated Plan, LMI surveys or public hearings, shall be provided without cost to the applicant provided the AOG has resources available. Administrative functions outside the realm of minor brief technical assistance after grant award shall be on a fee for service basis.
10. RRC and MAG staff review of all applications will proceed as follows:
  - a. MAG staff will review all pre-applications with the State CDBG staff to determine eligibility and national objective compliance.
  - b. RRC members will review all pre-applications that are determined eligible.
  - c. All applicants will be invited to make a presentation to the RRC and MAG staff to summarize the project and to answer questions. Two representatives of the sponsor may make a short presentation (10 minutes), and will then be asked about any aspects of the application or project which might need further clarification, including prioritization of multiple applications, status of local matching funds, and justification of the design and costs.
  - d. The RRC members complete individual ratings, share justifications and work toward unity.
  - e. The RRC determines final rating and ranking of projects and funding allocations. This information is provided to Executive Council.
11. Projects which are primarily designed to enhance private businesses or developers will be denied. Ownership of CDBG funded improvements must remain in the public domain.
12. Efforts will be made to not reduce project funding so significantly that the proposed project is materially changed or adversely affected. Preference may be given to the highest ranking projects in one year with the possibility that they may not be funded the next. However, reductions in project funding or scope are done on a voluntary basis so long as national objective compliance and eligibility are maintained. Multi-year project proposals must contain specific cost estimates and work elements by year so that annual allocations by the RRC can be determined at the outset.
13. Previously allocated funds that become available to the region will be reallocated by the RRC. Possible distribution could be to the next highest ranking project, to be spread over some or all funded projects, to be rolled over into the next annual allocation, to be included

in MAG's grant for the benefit of all jurisdictions, or by some other means.

14. Any appeal of the Mountainland CDBG review process and any funding recommendations will follow the MAG written appeal procedure as approved by the State.
15. Emergency Projects: An emergency project is defined as one that addresses a detriment to the health, safety and/or welfare of residents. For any critical project that meets this definition, a jurisdiction may submit an application for emergency CDBG funding outside the normal allocation cycle.
  - a. The application must be made utilizing the state's application form for the most recent funding cycle, and by holding a public hearing. All emergency applications must meet CDBG program requirements, and the Mountainland CDBG policies defined herein, including meeting minimum matching requirements, if any (see Paragraph 5).
  - b. AOG staff will review the application for eligibility and consistency with the Consolidated Plan.
  - c. The RRC will review the project application, including the jurisdiction's capacity to meet funding needs.
  - d. If the RRC recommends the application to the State Policy Committee, the state staff will review the application to ensure the project meets program eligibility and national objective compliance. The state reserves the right to reject or amend applications that do not meet these threshold requirements.
  - e. The state maintains approximately \$150,000 in emergency funds on an annual basis for distribution statewide. The State Policy Committee will make the final review and funding determination on all emergency projects.
  - f. Any emergency funds distributed to projects in the region will be deducted from the region's allocation during the next funding cycle. Therefore, any emergency funds awarded to a jurisdiction will be considered as a funded project in the next funding cycle. Policies on second round funding will be applied as outlined in Paragraph 5.
  - g. Additional information on the Emergency Fund program is available in the Application Policies and Procedures Guide developed annually by the state in Section II, Funding Processes.
16. Membership on the RRC is by appointment of the Chairman of the Executive Council with annual ratification by the full Council. RRC membership will include at least one representative from each county. One member of the RRC will be appointed to sit on the State CDBG Policy Committee. RRC members representing jurisdictions that are submitting applications must abstain from ranking their applications.
17. MAG Staff and/or RRC members will meet with the representatives of the State CDBG Policy Committee or State CDBG Staff prior to final adoption of the MAG CDBG Policies and Rating and Ranking System as necessary.

2006 MOUNTAINLAND CDBG

**RATING AND RANKING SYSTEM**

UNDERLINED CRITERIA ARE REQUIRED BY THE STATE OF UTAH

**1. PERCENT OF THE APPLICANT'S TOTAL POPULATION DIRECTLY BENEFITTING FROM THE PROJECT. (5 POINTS)**

Regardless of size, the applicant jurisdiction is given greater priority for projects which benefit the highest proportion of the applicant's total population. Direct benefit will result from the project for:

More than 2/3 of the applicant=s total population	5 points
1/3 to 2/3 of the applicant=s total population	3 points
Less than 1/3 of the applicant=s total population	1 point

**2. PERCENT OF THE JURISDICTION'S LMI POPULATION DIRECTLY BENEFITTING FROM THE PROJECT. (5 POINTS)**

Points are awarded to applicants serving the highest percentage of their LMI population.

A substantial proportion of LMI served (more than 2/3)	5 points
A moderate proportion served (1/3 to 2/3)	3 points
A small proportion served (less than 1/3)	1 point

**3. POINTS ARE AWARDED TO PROJECTS WHICH SERVE THE VERY LOW INCOME (defined as 50% of the County Median Income and documented by survey). (5 POINTS)**

Points are awarded to projects whose direct beneficiaries (up to 25%) are very low income as follows:

25% or more of the direct beneficiaries are very low income	5 points
20-24.9%	4 points
15-19.9%	3 points
10-14.9%	2 points
1 - 9.9%	1 point

**4. LOCAL DOLLARS INVESTED IN THE PROJECT. (5 POINTS)**

Points are awarded to applicants investing local dollars in their own projects, thus leveraging regional CDBG funding. Leveraging of project dollars by outside agencies or groups does not constitute local dollars (but will be addressed in a separate criteria.) Local contribution must be documented, and includes bonded indebtedness which is directly attributable to a proposed project. Points are awarded based upon the following scale:

40-50% local dollars invested	5 points
30-39% local dollars invested	4 points
20-29% local dollars invested	3 points
10-19% local dollars invested	2 points
1-9 % local dollars invested	1 point

**5. AMOUNT OF TOTAL PROJECT LEVERAGING BY THE APPLICANT. (5 POINTS)**

Points are awarded to applicants who are able to use CDBG dollars to leverage other private, state or federal funds. Leveraging is based on outside funds committed that are currently available.

Outside funding is 80% or more of the total cost	5 points
Outside funding is 60-79% of the total cost	4 points
Outside funding is 40-59% of the total cost	3 points
Outside funding is 20-39% of the total cost	2 points
Outside funding is 1-19% of the total cost	1 point

**6. TYPE OF JOBS CREATED OR RETAINED: PERMANENT OR CONSTRUCTION. (5 POINTS)**

The type of actual jobs created or retained as a result of the project are evaluated as follows:

Permanent full time jobs created or retained	5 points
Temporary jobs only	2 points

**7. THE CAPACITY OF THE GRANTEE TO CARRY OUT THE PROJECT. (5 POINTS)**

The past performance of the grantee on other CDBG projects based upon information provided by the State CDBG office regarding specific problems with previous project administration.

Satisfactory performance or no experience	5 points
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**8. POINTS ARE AWARDED TO APPLICANTS WHO WERE NOT FUNDED LAST YEAR AND/OR THE YEAR BEFORE. (5 POINTS)**

Applicants not receiving a grant in either of the last two years	5 points
Applicants receiving a grant two years ago, but not last year	3 points
Applicants receiving a grant last year, but not two years ago	1 point
Applicants receiving a grant each of the last two years	0 points

**9. APPLICANT PARTICIPATION IN THE FOLLOWING STATE PROGRAMS: 21<sup>ST</sup> CENTURY COMMUNITIES, QUALITY GROWTH COMMISSION, OR HB 295 MODERATE INCOME HOUSING PLANNING BY THE APPLICANT OR ITS SPONSOR. (5 POINTS)**

Points are awarded by the RRC depending upon the applicant's or sponsor's level of commitment and progress to some or all of these programs.

**21<sup>st</sup> Century and/or Quality Growth Program**

Designation	2 Points
In Process	1 Point

**Housing Plan**

Adopted	3 Points
Completed	2 Points
In Process	1 Point

**10. PROJECTS WHICH SUPPORT AFFORDABLE HOUSING FOR LMI. (5 POINTS)**

The majority of project funds will be used to improve, expand, or support low income housing education, choice, affordability, or opportunity. Points are awarded by the RRC from 1-5.

**11. ATTENDANCE BY THE ELECTED OFFICIAL OF THE APPLICANT AT THE HOW TO APPLY WORKSHOP. (3 POINTS)**

Points are awarded to applicants whose elected official was in attendance 3 Points

**12. THE RELATIVE NEED AND CRITICAL NATURE OF THE PROJECT. (15 POINTS)**

Points are awarded to projects where the need is great and the problem being addressed is of a critical nature, especially where the applicant is attempting to respond to federal or state mandates for improvement or compliance. Project type (whether housing, economic development, infrastructure, community facilities, or others) is not at issue; rather, how great or critical is the need and how will the project enhance the existing community? Points are awarded following applicant interviews on the following scale:

- 11-15 points for a great need or critical situation being addressed (impacts public health, safety, ability to provide basic services, etc.);
- 7 -10 points for moderate but clear need and some community enhancement (project will resolve specific issue that must be addressed, but there is not a clear urgency); and
- 1 - 6 points for some need and enhancement but without a strong urgency (desirable project that will enhance quality of life).

**13. PRIORITY WILL BE GIVEN TO PROJECTS THAT ARE MATURE AND HAVE A DEMONSTRATED ABILITY TO SOLVE THE PROBLEM. (10 POINTS)**

A mature project exhibits a specific and detailed scope of work, a time line, a well thought out funding plan with supplemental funding already applied for and committed, and a detailed engineer's cost estimate. Immediate viability of the project means CDBG dollars can be spent in a timely manner.

- 7 - 10 points for clear indication of project maturity and thorough planning (Applicant is able to present project clearly and concisely and can respond to questions, staff and/or engineer, etc., are involved in planning process, project has been identified as a priority in the budget or capital improvements list, applicant has identified potential matching fund sources, applicant can demonstrate time line for project completion during grant period, etc.)
- 3 - 6 points for evidence the project may need more time and planning (Applicant is uncertain about specific portions of the project, staff and/or engineer are just getting involved in planning the project, the project is not identified as a priority in the budget or capital improvements list, applicant has not identified potential matching fund sources, time line for project is uncertain, etc.)
- 0 - 2 points for evidence the project may be better suited for next year's funding (There are inconsistencies in the project, limited planning for the project has occurred, the project has not been identified in the budget or capital improvements list, applicant has not considered potential matching fund sources, there is no time line developed for the project, etc..)

**UNDER THIS SYSTEM, A MAXIMUM OF 78 POINTS ARE POSSIBLE.**

**SUPPLEMENTAL RATING AND RANKING SYSTEM**  
**UNDERLINED CRITERIA ARE REQUIRED BY THE STATE OF UTAH**

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Satisfactory performance or no experience	5 points
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**8. PERCENT OF THE PROJECT'S BENEFICIARIES WHO ARE LMI. (5 POINTS)**

Points are awarded to projects whose direct beneficiaries are low and moderate income residents. In order to receive points in the LMI category, an applicant must document that at least 51% of the direct beneficiaries are LMI.

91-100% benefit = 5 points	61- 70 % benefit = 2 points
81- 90 % benefit = 4 points	51- 60 % benefit = 1 point
71- 80 % benefit = 3 points	

**9. APPLICANT PARTICIPATION IN THE FOLLOWING STATE PROGRAMS: 21<sup>ST</sup> CENTURY COMMUNITIES, QUALITY GROWTH COMMISSION, OR HB 295 MODERATE INCOME HOUSING PLANNING BY THE APPLICANT OR ITS SPONSOR. (5 POINTS)**

Points are awarded by the RRC depending upon the applicant's or sponsor's level of commitment and progress to some or all of these programs.

**21<sup>st</sup> Century and/or Quality Growth Program**

Designation	2 Points
In Process	1 Point

**Housing Plan**

Adopted	3 Points
Completed	2 Points
In Process	1 Point

**10. ARE IMPLEMENTATION FUNDS AVAILABLE TO CARRY THE PROJECT INTO THE "EXECUTION" STAGE? (5 POINTS)**

Project funds are committed & available	5 points
Partial funding is in place	3 points
Funding plan only, no commitments	1 point

**11. IS THE PROPOSED PROJECT HOUSING RELATED? (5 POINTS)**



Activities for the improvement or expansion of housing stock for low and moderate income persons are eligible for funding. Applicants devoting at least 50% of their funds to direct housing activities will be eligible for points in this criteria. The RRC will determine the points awarded based upon the applicant and/or sponsor's proposed housing project and its impact upon the communities housing stock and quality.

**12. HOW WELL HAS THE PROJECT BEEN DESIGNED AND PREPARED? (10 POINTS)**

Does the project: (1) identify needs, (2) delineate specific strategies for achieving desired goals, (3) incorporate a methodology for evaluating results?

- |   |           |
|---|-----------|
| The project includes (1), (2), and (3)    | 10 points |
| The project includes any two of the above | 7 points  |
| The project includes any one of the above | 4 points  |
| The project includes none of the above    | 0 points  |

**13. THE PROBLEM WHICH THE PROJECT ADDRESSES IS DEMONSTRATED TO BE A REAL THREAT TO HEALTH, SAFETY OR THE LOSS OF PROPERTY. (15 POINTS)**

Relative health and safety factors the plan is designed to overcome:

- |  |              |
|--|--------------|
| Immediate threat to residents' health and safety | 11-15 points |
| Some moderate or potential threat                | 7-10 points  |
| Safety and convenience                           | 2- 6 points  |
| Convenience only                                 | 1 point      |

**14. HOW MATURE IS THE PROJECT AND WHEN WILL IT BE IMPLEMENTED? (10 POINTS)**

- |   |           |
|---|-----------|
| Project is mature and will be implemented within one year of completion | 10 points |
| Project will not be implemented until the 2nd year following completion | 7 points  |
| Project will not be implemented until the 3rd year following completion | 4 points  |
| Project will not be implemented until the 4th year or later             | 1 point   |

**UNDER THIS SYSTEM, A MAXIMUM OF 90 POINTS ARE POSSIBLE.**